

TOGUT, SEGAL & SEGAL LLP
Bankruptcy Co-Counsel for Enron Corp., *et al.*,
Reorganized Debtors
One Penn Plaza, Suite 3335
New York, New York 10119
(212) 594-5000
Frank A. Oswald (FAO-1223)
Neil Berger (NB-3599)
Jonathan Hook (JH-3812)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

**OBJECTION DEADLINE: 4/1/05
AT: 5:00 PM**

-----X	
In re:	:
ENRON CORP., <i>et al.</i> ,	:
	:
Reorganized Debtors.	:
	:
-----X	
ENRON CORP.,	:
	:
Plaintiff,	:
	:
- against -	:
	:
QUINN GILLESPIE & ASSOCIATES,	:
	:
Defendant.	:
-----X	

**NOTICE OF SETTLEMENT BETWEEN THE REORGANIZED DEBTORS
AND QUINN GILLESPIE & ASSOCIATES REGARDING DEBTORS'
CLAIMS ARISING UNDER §§ 547, 548 AND 550 OF THE BANKRUPTCY CODE**

TO: ALL PARTIES ENTITLED TO RECEIVE NOTICE.

PLEASE TAKE NOTICE that the Effective Date of the Plan of the above-captioned Debtors occurred on November 17, 2004 and the Debtors emerged from Chapter 11 as Reorganized Debtors; and

PLEASE TAKE FURTHER NOTICE that November 17, 2003, the Debtors commenced the above captioned adversary proceeding against Quinn Gillespie & Associates (“Defendant”) to avoid and recover transfers that were made by the Debtors to Defendant (the “Adversary Proceeding”) in the amount of \$257,985.56 (the “Transfers”) and Defendant asserted that the Transfers were not avoidable; and

PLEASE TAKE FURTHER NOTICE that as a result of arms-length negotiations and an exchange of documents, the Reorganized Debtors and Defendant have agreed to settle the Adversary Proceeding by: (a) Defendant’s payment of \$128,992.87 to the Reorganized Debtors (the “Settlement Amount”) and (b) the waiver by Defendant of any and all claims that were asserted or could have been asserted against the Debtors and the Reorganized Debtors, including, but not limited to claims arising pursuant to section 502(h) of the Bankruptcy Code (the “Settlement Agreement”); and

PLEASE TAKE FURTHER NOTICE that pursuant to the Order dated September 11, 2003 establishing streamlined procedures governing adversary proceedings commenced by the Debtors pursuant to 11 U.S.C. §§ 544, 547, 548 and 550 (the “Settlement Procedures Order”), if no written objection is received within ten (10) business days after the date of service of this Notice (the “Effective Date”), the Reorganized Debtors will consummate the Settlement Agreement without further notice or Order of the Court; and

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Settlement Agreement must be in writing, conform to the requirements of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules of the United States Bankruptcy Court for the Southern District of New York, and must be filed and served by 5:00 p.m. on the Effective Date (the “Objection Deadline”) and that if an objection is

filed and not withdrawn by the Effective Date, a hearing before the Honorable Arthur J. Gonzalez will be scheduled on notice to the objecting party; and

PLEASE TAKE FURTHER NOTICE that pursuant to the General Orders of the Court, any objection filed by parties with legal representation shall be filed on or before the Objection Deadline (i) through the Bankruptcy Court's Electronic Case Filing System ("ECF") which may be accessed at the Bankruptcy Court's Internet web site at www.nysb.uscourts.gov, using Netscape Navigator software version 3.0 or higher, and (ii) in portable document format (".PDF") using Adobe Exchange software for conversion; and

PLEASE TAKE FURTHER NOTICE that any party that is either without legal representation or that is unable to file documents electronically shall file its objection on or before the Objection Deadline in .PDF format on a 3-1/2" floppy diskette in an envelope clearly marked with the case name, case number, type and title of document, document number of the document to which the objection refers and the file name of the document; and

PLEASE TAKE FURTHER NOTICE that any party that is either without legal representation or that is unable to file documents electronically or create documents in .PDF format, shall file its objection on or before the Objection Deadline in either Word, WordPerfect or DOS text (ASCII) format on a 3-1/2" floppy diskette in an envelope clearly marked with the case name, case number, type and title of document, document number of the document to which the objection refers and the file name of the document; and

PLEASE TAKE FURTHER NOTICE that a hard copy of any objection must be hand delivered to the Chambers of the Honorable Arthur J. Gonzalez, at the

United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004, on or before the Objection Deadline; and

PLEASE TAKE FURTHER NOTICE that objections, if any, must be served so that they are received on or before the Objection Deadline by: (i) Togut, Segal & Segal LLP, One Penn Plaza, New York, New York 10119, Attn: Neil Berger, Esq., co-bankruptcy counsel for the Reorganized Debtors; (ii) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153, Attn: Brian S. Rosen, Esq., co-bankruptcy counsel for the Reorganized Debtors; (iii) Milbank Tweed Hadley & McCloy, One Chase Manhattan Plaza, New York, New York 10005, Attn: Luc A. Despins, Esq., counsel for the Official Committee of Unsecured Creditors; (iv) Davis, Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Donald S. Bernstein, Esq., counsel to JP Morgan Chase Bank, as agent; (v) Shearman & Sterling, 599 Lexington Avenue, New York, New York 10022, Attn: Frederic Sosnick, Esq., counsel to Citicorp, as agent; (vi) Kronish, Lieb, Wiener, & Hellman L.L.P., 1114 Avenue of the Americas, New York, New York 10036, Attn: James A. Beldner, Esq., counsel to the Employee Related Issues Committee; (vii) Williams & Connolly LLP, 725 Twelfth Street, N.W., Washington, D.C. 20005, Attn: Jerry L. Shulman, Esq. counsel for Defendant; and (viii) the United States Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Mary Elizabeth Tom, Esq.

(Signature on following page)

DATED: New York, New York
March 18, 2005

ENRON CORP., *et al.*
Reorganized Debtors
By their Bankruptcy co-counsel,
TOGUT, SEGAL & SEGAL LLP
By:

/s/Neil Berger
NEIL BERGER (NB-3599)
FRANK A. OSWALD (FAO-1223)
Members of the Firm
One Penn Plaza
New York, New York 10119
(212) 594-5000